

Appendix A DHCD Program Descriptions

PROGRAMS AND ACTIVITIES TO INCREASE OWNERSHIP

Home ownership creation and retention goals are accomplished through the following DHCD program activities:

Homebuyer Assistance Programs: The Home Purchase Assistance Program (HPAP) provides financial assistance in the form of interest-free loans to qualified District residents to enable them to purchase homes, condominiums, or cooperatives. Qualified households are eligible for loans to meet down payment and closing cost requirements. Assistance levels are determined by the Department each year based on: (1) prevailing real estate market prices; (2) available budget; (3) levels of household income and size; and (4) mortgage qualification levels anticipated for different levels of household income; Assistance provided to any individual household is further subject to a program-wide per-client caps determined each year. Loans are subordinate to private first trust mortgages. The D.C. Employer-Assisted Housing Program (EAHP) provides special home purchase assistance benefits to District government employees, including loans for down payment assistance, matching fund grants for closing costs, and credits toward District property and income taxes.

Homestead Housing Preservation Program: The Homestead Housing Preservation Program (Homestead) takes possession of tax delinquent real property (and, occasionally, DHCD foreclosures) and sells them to first-time home buyers for as little as \$250 per unit. In exchange, the home buyer commits to enroll in and complete a home ownership training course, rehabilitate the property, reside in the property for a minimum of five years, and return it to the real property tax rolls. Low-to-moderate income participants receive a \$10,000 deferred mortgage to assist them with gap financing. The Homestead Program also sells apartment buildings and vacant lots to developers who ultimately sell the units to first-time homebuyers – as well as commercial property to neighborhood-based businesses and non-profits that are providing services. This program and related portfolio and obligations has been incorporated into DHCD's Property Acquisition and Disposition division.

Residential Rehabilitation Programs: This program area includes two functional units: The Single Family Residential Rehabilitation Program and the Multifamily Lead-Safe Program.

The Single Family Residential Rehabilitation Program provides low-cost financing for the rehabilitation of owner-occupied single-family housing. Eligible home improvements include: (1) items to correct building code violations (items necessary to ensure that the home is decent, safe and sanitary); (2) modifications needed to make the home accessible to residents with mobility impairments (through the Handicapped Accessibility Improvement Program, or HAIP); and grant funding to control lead hazards related to lead-based paint and lead water service lines. The program provides low- or no-interest amortized or deferred loans, or grant funds, depending on the financial circumstances of the borrower and the amount and type of rehabilitation required. Single Family Rehab loans made to senior citizens have the first \$10,000 of assistance routinely deferred. HAIP provides up to \$30,000 in grant funding for improvements for handicapped accessibility. Grant funds are also available for lead-based paint hazard remediation, replacement of lead water service lines, and emergency roof repair.



The Multifamily Lead Safe Program provides grant funds to property owners to render their housing units (both owner-occupied and rental) safe from lead-based paint hazards.

First Right Purchase/Tenant Purchase Technical Assistance Programs: The First Right Purchase/Tenant Purchase Technical Assistance Programs offer financial and technical assistance to low- and moderate-income occupants and tenant associations of rental housing in the District. The tenants may use these programs to assist them in purchasing their buildings when they are threatened with displacement because of a proposed sale of their buildings to a third party. The programs provide loans, grants, counseling and technical assistance to these groups to aid in the purchase of multi-family buildings, and management assistance in converted properties.

Home Again Program: The Home Again Program's goal is to transform vacant and abandoned residential properties into single-family homeownership opportunities for residents. By increasing homeownership and eliminating blight, Home Again helps to stabilize neighborhoods and contribute to local economic sustainability. This program and related portfolio and obligations has been incorporated into DHCD's Property Acquisition and Disposition division.

PROGRAMS AND ACTIVITIES TO INCREASE SUPPLY

The following programs/activities are employed to support the goal of increasing the housing supply for renters and owners:

Development Finance Division Project Financing, Rental Housing: This funding program provides low-cost interim construction financing and permanent financing for both new construction and rehabilitation of residential property containing five or more units.

Development Finance Division Project Financing, Acquisition for Rehab: This funding program provides funding for private for-profit and non-profit applicants to develop housing (properties with five or more units), including community-based residential facilities, for households with special needs, including the elderly, disabled and individuals undergoing treatment for substance abuse. Funding is also provided for community facilities. Assistance is provided in the form of deferred or amortized loans to qualifying organizations for eligible activities.

Affordable Housing Production Assistance Program: The following four activities are included under the two programs above to aid in the production of affordable housing:

- <u>Community Land Acquisition Program:</u> Provides assistance to nonprofit land trusts to acquire land and buildings for development of low- and moderate-income housing. Title to the property is retained by the nonprofit trust with provisions for permanent dedication for use as low-and moderate-income housing.
- <u>Property Purchase for Rehabilitation and Housing Development Program:</u> Provides for DHCD purchase of private property (on a voluntary basis and/or through the foreclosure process) for resale for rehabilitation and housing development. Properties acquired may be deteriorated or vacant, and may be acquired in conjunction with the District's Homestead Program.

Page 96 District of Columbia FY2009 Action Plan



- <u>Low-Income Housing Tax Credit (LIHTC)</u>: Provides federal income tax credits to developers of new or rehabilitated rental housing for the production of housing affordable to low- and moderate-income persons.
- Real Estate Appraisal Services: This activity fund appraisals, title reports, and other services related to the acquisition and disposition of real property and of other programs as needed.

Housing Finance for the Elderly, Dependent and Disabled: The Housing Finance for the Elderly, Dependent and Disabled (HoFEDD) program provides financing to private for-profit and non-profit applicants. This funding is used to develop housing, including community-based residential facilities, for households with special housing needs, including the elderly, disabled, homeless and individuals undergoing treatment for substance abuse. DHCD provides the acquisition and rehabilitation assistance in the form of deferred or amortized loans to qualified organizations for eligible activities.

Land Acquisition for Housing Development Opportunities: The Land Acquisition for Housing Development Opportunities (LAHDO) program acquires property (using primarily District capital budget funds) and provides for long-term lease-back or low cost terms to private developers that produce low- and moderate-income rental housing.

Community Housing Development Organizations: Under the federal regulations governing the District's participation in the HOME program, 15 percent of the HOME entitlement grant is set aside to fund Community Housing Development Organizations, or CHDO activities. Investments in CHDOs under this program are for the purpose of creating decent and affordable housing in the District. DHCD has made improvements to its CHDO application and certification process, and began outreach activities to link non-profit organizations with training opportunities.

CHDOs must be certified by DHCD to participate in the CHDO program. DHCD's Office of Program Monitoring continues to monitor CHDO reservation, commitment, and expenditure information in IDIS.

PROGRAMS AND ACTIVITIES TO FOSTER FOR COMMUNITY DEVELOPMENT

Activities to Support the Goals of Neighborhood Revitalization:

<u>Neighborhood Based Activities:</u> DHCD strategically invests funds through housing development and community-based organizations to support the creation of economic opportunity and affordable housing preservation and development for its low-to-moderate income residents. DHCD provides an array of CDBG-eligible neighborhood based activities depending on community need and the capacity of the community organizations.

Neighborhood revitalization activities are carried out through non-profit organizations working in the communities they have committed to serve. These activities include: commercial corridor and small business technical assistance, façade improvement, housing counseling, support for tenants subject to expiring federal subsidies, crime prevention, and operating costs of CHDOs.



Underlying DHCD's housing programs is a support network of community-based housing counseling organizations that provide residents with counseling services, assistance in applying for DHCD programs, housing location services and homeowner training. Special initiatives, such as pro-active counseling and assistance for tenants subject to expiring federal subsidies, are undertaken to match annual program response to emerging needs.

Activities to Support Community and Commercial Development:

Major activities in economic and commercial development for the District are managed by the Office of the Deputy Mayor for Planning and Economic Development. DHCD's strategy for economic and commercial development is a supportive neighborhood-based model, coordinating with locally-funded government programs of the Deputy Mayor such as ReStore DC and Main Streets to supplement DHCD's housing development activity in a specific area.

<u>Economic Development Program</u> (Section 108 Loan Repayments) – Section 108 loans are made for economic development and job generating projects.

<u>Urban Renewal and Community Development Property Management:</u> DHCD provides property management services, rent collection, and limited maintenance for properties owned by the Department. In addition, DHCD provides oversight of DMPED in its management of properties.

<u>Community Development Planning Contracts and Program Development Studies:</u> This activity provides funding for technical consultant services such as land use planning, project feasibility studies, and environmental studies.

PROGRAMS/ACTIVITIES FOR HOMELESS PREVENTION AND SUPPORT

The Emergency Shelter Grant (ESG) funds are administered by DHCD. The program activities are managed by the Community Partnership for the Prevention of Homelessness, a nonprofit entity that is under contract with the District to provide day-to-day management of the District's homeless services. The funds are distributed to sub-grantees to support services and facilities within the Continuum of Care for homeless persons. Services and facilities funded by ESG include prevention, shelter operating costs, and shelter renovations.

- Prevention/Emergency Assistance Grants for Families and Adults: In partnership with the D.C. Emergency Assistance Fund, a project partly funded by the city and managed by the Foundation for the National Capital region, and working with Family Support Collaboratives located across the city that are funded through the District's Child and Family Services Agency, the Community Partnership makes emergency homeless prevention grants available for families and single adults. In a typical year, 223 families and 77 single adults receive assistance. The funds are used to prevent the imminent eviction of families and single adults from their residences by paying for up to three months rent and/or utilities combined with case management support offered by a citywide network of community-based agencies.
- <u>Essential Services/Shelter Operations:</u> Grant funding has been used to lease a 45-unit apartment building in Columbia Heights, to provide emergency and permanent housing to

Page 98 District of Columbia FY2009 Action Plan



homeless families. While housed in the building, families are assessed and appropriate services are arranged for them. Caseworkers also work with the parents to assist them in identifying employment and housing.

• Rehabilitation and Renovation: The Community Partnership uses rehabilitation funds to expand and improve emergency shelter capacity. ESG funds will be used on an ongoing basis to support high priority shelter needs as identified by the Mayor in the District's 10-year plan to end homelessness.

PROGRAMS/ACTIVITIES FOR RENTAL PROPERTY SERVICES

The Housing Regulation Administration: The Housing Regulation Administration operates under the Department of Housing and Community Development, or DHCD. HRA is comprised of two divisions: the Rental Conversion and Sale Division, or CASD, and the Rental Accommodations Division, or RAD. HRA operations also include the Housing Service Center where residents receive assistance with rental housing and condominium conversion and sale issues. In addition, DHCD, through HRA, provides administrative and staffing support the Rental Housing Commission, however, the Commission will remain an independent body.

The Rental Accommodations Division: The Rental Accommodations Division administers the Rental Housing Act of 1985. RAD's responsibilities include registering and licensing rental housing, administering rent adjustments procedures, accepting landlord and tenant petitions, providing conciliation services, and acting as a repository for notices to vacate. Further, the division conducts investigations and initiates show cause proceedings, holds regular meetings with housing providers, tenant and legal service provider stakeholders, and conducts outreach sessions on rental housing issues for associations and special interest groups. The division also prepares, stores, and maintains case files and property records ensuring access for public inspection and requests for information or evidentiary documents.

The Rental Conversion and Sale Division: The Rental Conversion and Sale Division administers the Rental Housing Conversion and Sale Act of 1980. The division's responsibilities include processing notices of sale for residential rental housing, conducting tenant elections, and overseeing tenant opportunity to purchase and first right of refusal procedures. CASD also regulates the conversion of property to condominiums and cooperatives, and administers the relocation assistance program for tenants displaced by rental housing accommodation conversions. Additionally, the division regulates condominium formation under the Condominium Act of 1976 Technical and Clarifying Amendment Act.

The Rental Housing Commission: The Rental Housing Commission operates as an independent body, hearing and deciding appeals of written decisions and orders issued by the Rent Administrator or the Office of Administrative Hearings. The Rental Housing Commission also establishs rules and regulations for administration of the Rental Housing Act of 1985. The Department of Housing and Community Development provides administrative support responsibility for the Commission, including staffing several positions.



Appendix B Income Levels

DISTRICT OF COLUMBIA 2008 MEDIAN INCOME TABLES Effective February 13, 2008

Very Low Income - Gross household income 30% area median income (AMI), adjusted for household size per the following table: (This category is known as Extremely Low Income when referring to HOME)

| 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
|----------|----------|----------|----------|----------|----------|----------|----------|
| \$20,650 | \$23,600 | \$26,550 | \$29,500 | \$31,850 | \$34,200 | \$36,600 | \$38,950 |

Low Income - Gross household income 50% area median income (AMI), adjusted for household size per the following table: (This category is known as Very Low Income when referring to HOME)

| 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
|----------|----------|----------|----------|----------|----------|----------|----------|
| \$34,450 | \$39,350 | \$44,300 | \$49,200 | \$53,150 | \$57,050 | \$61,000 | \$64,950 |

Moderate Income - Gross household income 80% area median income (AMI), adjusted for household size per the following table: (This category is known as Low Income when referring to HOME)

| 1 Pers | on 2 Person | n 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
|--------|-------------|------------|----------|----------|----------|----------|----------|
| \$43,0 | 50 \$49,20 | 0 \$55,350 | \$61,500 | \$66,400 | \$71,350 | \$76,250 | \$81,200 |

Jurisdictions covered by these income limits include the following: Arlington, Fairfax, Fauquier, Loudoun, Prince William, Spotsylvania, and Stafford County, and the Cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas and Manassas Park in Virginia; Washington, D.C.; and Calvert, Charles, Frederick, Montgomery, and Prince George's County in the State of Maryland.

Median Family Income for Washington Metropolitan Area is \$99,000 for a family of four.



Appendix C Federal Certifications

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

- 1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification
- 2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
- 3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
- 4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
- 5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
- 6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

| Place of P | refrormance (Street address, city, county, state, zip code) |
|------------|---|
| | |
| | |
| Check | if there are workplaces on file that are not identified here. |

The certification with regard to the drug-free workplace is required by 24 CFR part 24, subpart F.

- 7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:
- 8. "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);



- 9. "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;
- 10. "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;
- 11. "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Page 104 District of Columbia FY2009 Action Plan



Appendix D Neighborhood Investment Fund Target Areas

